UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

THE PROCTER & GAMBLE COMPANY,

08 Civ. 01532 (WHP)

Plaintiff,

- against -

Reply to Counterclaim

PLAYTEX PRODUCTS, INC.,

Defendant.

Plaintiff and Counterclaim Defendant The Procter & Gamble Company ("P&G") by its attorneys Kramer Levin Naftalis & Frankel LLP, for its reply to the Counterclaim of defendant Playtex Products, Inc. ("Playtex"), responds as follows:

- States that the allegations of paragraph 1 assert a legal conclusion as to 1. which no response is required.
- States that the allegations of paragraph 2 assert a legal conclusion as to 2. which no response is required.
 - Admits, on information and belief, the allegations of paragraph 3. 3.
 - Admits the allegations of paragraph 4. 4.
 - 5. Admits the allegations of paragraph 5.
 - Admits the allegations of paragraph 6. 6.

- 7. Admits the allegations of paragraph 7.
- 8. Denies the allegations of paragraph 8, except admits that Playtex markets and sells a purportedly altered version of Gentle Glide tampons in interstate commerce and in this judicial district.
 - 9. Admits the allegations of paragraph 9.
- 10. Denies the allegations of paragraph 10, except refers to the commercials for their true and accurate terms.
 - 11. Admits the allegations of paragraph 11.
- 12. Denies the allegations of paragraph 12, except admits that P&G has not conducted an *in vivo* test using what Playtex contends is a new version of Playtex Gentle Glide, which Playtex has represented is not materially changed from the product used by P&G in its *in vivo* testing.
- 13. Denies knowledge or information sufficient to form a belief as to the truth of the allegations of paragraph 13.
 - 14. Denies the allegations of paragraph 14.
 - 15. Denies the allegations of paragraph 15.

First Affirmative Defense

16. The counterclaim fails to state a claim upon which relief may be granted.

Second Affirmative Defense

17. The counterclaim is barred in whole or in part by the doctrines of *res judicata* and/or collateral estoppel.

Third Affirmative Defense

18. The counterclaim is barred in whole or in part by the doctrines of equitable estoppel and/or judicial estoppel.

Fourth Affirmative Defense

19. The counterclaim is barred in whole or in part by the doctrines of waiver and/or laches.

Fifth Affirmative Defense

20. The counterclaim is barred on whole or in part by the doctrine of unclean hands.

Wherefore, plaintiff respectfully requests that the Court enter judgment:

- (i) dismissing the counterclaim;
- (ii) awarding the costs and expenses incurred in defending against the counterclaim, including attorneys' fees, and

(iii) awarding such other and further relief as the Court deems just and proper.

Dated: New York, New York April 25, 2008

Kramer Levin, Naftalis & Frankel LLP

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